

Church Community Services

629 SOUTH THIRD STREET
ELKHART, INDIANA 46516
(574) 295-3673

Ja-Deen Johnson
Director, Consumer Affairs Division
Indiana Utility Regulatory Commission
302 W. Washington St., E306
Indianapolis, IN 46204

Tony Dzwonar
Director, External Affairs
Indiana Office of Utility Consumer Counselor
100 N. Senate Ave., Rm. N501
Indianapolis, IN 46204-2215

Dear Ms. Johnson and Mr. Dzwonar,

December 7, 2004

In response to written comments submitted by NIPSCO and posted on the IURC website, I am writing to address the statement that "approximately two-thirds of NIPSCO's payment arrangements fail" (page 4) and the claim that reducing the amount of deposits collected would impact NIPSCO's bad debt.

In my experiences assisting low-income families with NIPSCO deposits, the reasons these payment arrangements fail is that they are impossible to meet. Clients are given only two choices: 1) to pay the deposit in full or 2) to spread it over eight weeks, with payments due every two weeks.

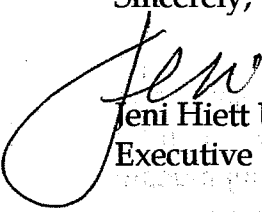
Many families would have difficulty paying a \$700 deposit in full. For low-income families, that is impossible. Nor are the payment arrangements possible for many poor families. One family I am working with is required to pay \$110 dollars every two weeks. There is simply not enough income in the household to pay that on top of other legitimate bills for rent, food, clothing, gasoline, prescriptions, etc.

Clearly, when deposits are this large, it is a hardship for families to come up with deposits *in addition to* paying their current utility bills! And this hardship is compounded during the winter months when the bills are much larger.

NIPSCO is using non-payment of deposits as an excuse for needing deposits, when in fact, NIPSCO has created the very situation it is complaining about!

In my opinion, it would be much better to lower the deposits and thus have money available to assist families with the payment of their current utility bills. That would keep the families warm and maintain a steady income for NIPSCO.

Sincerely,


Jeni Hiatt Umble
Executive Director

INDIANA UTILITY
REGULATORY COMMISSION

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FILE

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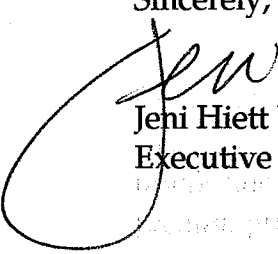
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CONSUMER COUNSELOR